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ABSTRACT

Discusses industry interests in international trade and the need or desire for business training programs involving international trade at the College of the Canyons. A survey was conducted on industry representatives from the Santa Clarita Valley on their need for training on doing business in the Pacific Rim, mainly China. In January 2003, 577 surveys were mailed out with a response rate of 7 percent. Results indicated that 55 percent of the respondents have done business with China with most of those respondents having a favorable experience. Also, the majority of the respondents indicated that they were interested in doing business and expanding their product or service into China. Despite respondents' interest in expansion, some factors such as market access, market uncertainty and other factors inhibited their desire to expand. According to the respondents, the most important things to learn before doing business in China were: (1) laws/regulations; (2) distribution networks; (3) market potential; (4) marketing channels; (5) Chinese business infrastructure; and (6) Language. Recommendations for the College include the development of an international business program designed to prepare local businesses for business with China. Contains four figures, two tables, the survey instrument, response frequencies, and open-ended responses. (JS)

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Institutional Development and Technology

Needs Assessment Survey: Doing Business with China

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March 2003

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Needs Assessment Survey:
Doing Business with China

Executive Summary

During the Spring 2003 semester, the Office of Institutional Development and Technology (IDT), in cooperation with the College's Dean of Economic Development, surveyed industry representatives in the Santa Clarita Valley regarding international trade. The survey was designed to collect information on the interest and need for business training programs involving international trade. The survey specifically assessed industry representatives' need for training on "Doing Business with China" or more generally, "Doing Business in the Pacific Rim". The information collected will assist the Dean of Economic Development with program planning, especially as it relates to developing programs and services that will strengthen the community and prepare local business to pursue new opportunities in the international market place. Surveys were mailed to **577** industry representatives during the week of January 20, 2003. Of those surveys, **43** were returned, resulting in a response rate of **seven** ***percent***.

The results of this study indicate that there is an interest in doing business with the Pacific Rim. Most of the respondents are currently or have previously done business with China (**55%**) with most of those respondents having a favorable experience. The majority of respondents indicated that they are interested in pursuing a program on "Doing Business with China" (**65%**). Similarly, the majority of respondents expressed interest in expanding their product or service into China (**63%**). While the majority of respondents expressed interest in expanding their product or service into China, there were factors, which inhibit respondents' desires to expand. The top three factors included *market access* (40%), *other* stated factors (**37%**) and *market uncertainty* (**30%**). *Other factors* inhibiting respondents' desires to expand into China included:

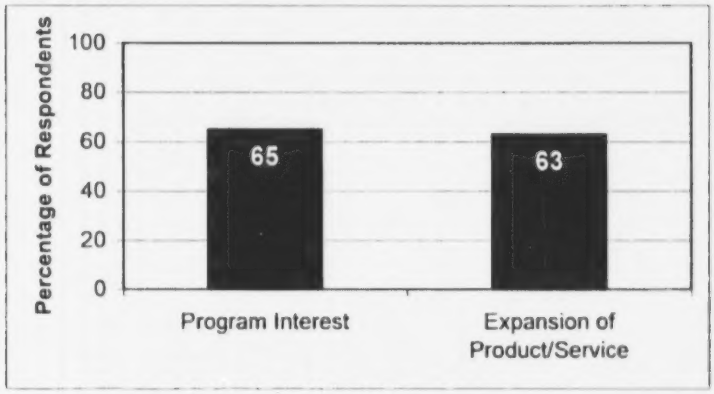

Figure 1. Respondents' Interest in a Program on "Doing Business with China" and in Expansion of their Product or Service into China

- Extracting profits
- Government restriction concerning defense products
- Growth
- Intellectual property issue
- Language
- Legal landscape
- Pirating of products
- Too small of market

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The top five most important aspects of "doing with business with China" for respondents to learn were *laws / regulations* (**61%**), *distribution networks* (**40%**), *market potential* (**37%**), *marketing channels* (**37%**) *and Chinese business infrastructure* (**35%**). Respondents also indicated that language is an important aspect to learn when doing business with China (provided in the open-ended section of the question). Language was not a response alternative but is an important aspect to consider including in a program on "Doing Business with China". Some barriers in doing business with China indicated by respondents who are currently or have previously done business with China included, *competition with local Chinese suppliers regarding prices, limited sales to China, erratic quality of product*s and *issues related to financing.*

The extent of the respondents' knowledge of China's history, culture and business climate was split with half of respondents having a good knowledge base and the other half having a limited knowledge base of each of the aforementioned areas. Most likely those respondents indicating that they have a good knowledge base of China's history, culture and business climate are those who are currently or have previously done business with China. Therefore, designing a program on "Doing Business with China" would need to take into account the different levels of knowledge participants might have on China's history, culture and business climate.

The top five industry clusters that respondents currently have / or wish to seek opportunities with were *other* (**33%** - included clusters such as construction and manufacturing), *Aerospace* (**28%**), *BioMed* (**21%**), *and Environmental Technology* (**16%**). The top three types of business relationships respondents have or would like to seek with China were *Manufacturer* (**49%**), *Distributor* (**37%**), and *Joint-Venture Partner* (**28%**).

More than half of those who responded (**55%**) indicated that they provide their product or service worldwide. Only five respondents indicated their market service area to be primarily in the United States. Annual sales for the majority of the respondents are above $1 million (**81%**), while only **19** ***percent*** indicated their sales to be below $1 million annually.

Recommendations

The College should consider developing a program designed to prepare local industries for "doing business with China". Of those who responded to the survey, there appears to not only be a need for such a program, but more than half of the respondents are currently or have previously done business with China and are interested in expanding their product or service into China. Other results of the survey provide additional guidance for the content of the program.

Table of Contents

Introduction 4
Methods 4
Major Findings 6
Conclusions 10
Appendix A: Survey Instrument ..... A-I
Appendix B: Response Frequencies
Summary Counts of Responses ..... B-I
Summary of Percentages of Responses ..... B-II
Appendix C: Open-Ended Responses ..... C-I

Index of Figures and Tables

Figures

Figure 1. Respondents' Interest in a Program on "Doing Business with China" 6
Figure 2. Extent of Respondents' Knowledge of China's History, Culture and Business Climate 6
Figure 3. Respondents' Interest in Expansion of Product / Service into China 7
Figure 4. Factors Inhibiting Respondents' Desires to Expand into China 8

Tables

Table 1. Industry Clusters Respondents' Currently Have or Wish to Seek Opportunities With 9
Table 2. Business Relationships Respondents' Currently Have or Wish to Seek with China 9

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Barry Gribbons and Daylene M. Meuschke

Introduction

During the Spring 2003 semester, the Office of Institutional Development and Technology (IDT), in cooperation with the College's Dean of Economic Development, surveyed industry representatives in the Santa Clarita Valley regarding international trade. The survey was designed to collect information on the interest and need for and development of business training programs involving international trade. The survey specifically assessed industry representatives' need for training on "Doing Business with China" or more generally, "Doing Business in the Pacific Rim". The information collected will assist the Dean of Economic Development with program planning, especially as it relates to developing programs and services that will strengthen the community and prepare local business to pursue new opportunities in the international market place.

Methods

The Office of Institutional Development and Technology developed a questionnaire intended to collect information on the interest and need for and development of business training programs involving international trade. Surveys were mailed to industry representatives in the Santa Clarita Valley the week of January 20, 2003. The questionnaire contained closed-ended and open-ended questions. Questions 1 – 3 asked respondents to rate their interest and / or extent of their knowledge regarding "Doing Business with China". Response alternatives were "Very Low", "Low", "Moderate", "Moderately High" and "High". Questions were as follows:

1. Please rate your interest in a program on "Doing Business with China".
2. Please rate the extent of your knowledge of:
   a. China's History
   b. China's Culture
   c. China's business climate
3. Please rate your interest in expansion of your product / service into China.

<u>Questions 4 – 8 were as follows:</u>

4. Question 4 asked respondents what factors inhibit their desire to expand into China. Response alternatives were "Market uncertainty", "Infrastructure issues", "Financing issues", "Distribution issues", "Market access" and "Other". Respondents were also provided space to indicate "other" factors that inhibit their desire to expand into China.

5. Question 5 asked respondents to indicate which industry cluster(s) they currently have / or wish to seek opportunities with. Response alternatives were "Aerospace", "BioMed", "Education", "Entertainment", "Environmental Technology", "Finance", "Technology" and "Other". Respondents were also provided space to indicate "other" industry cluster(s) they currently have / or wish to seek opportunities with.

6. Question 6 asked respondents to indicate the type of business relationship they have, or would like to be seeking with China. Response alternatives were "Manufacturer", "Distributor", "Agent", "Representative", "Joint-Venture Partner", "Other" and "Not interested in doing business with China". Respondents were also provided space to indicate the type of business relationship they have, or would like to be seeking with China.

7. Question 7 asked respondents to indicate the aspect(s) of "doing business with China" that is / or are most important for them to learn about China. Response alternatives were "Laws/regulations", "Market potential", "Customs", "Financing", "How to get started", "Chinese business infrastructure", "Distribution networks", "Marketing channels", "Workforce" and "Ports/rail/transportation".

8. Question 8 allowed respondents to indicate any other aspects they would like more information on regarding doing business with China.

9. Question 9 asked respondents to indicate if they are currently or have previously done business with China by responding "No" or "Yes". If yes, respondents were asked to indicate the results or if respondents indicated "no", they were asked to explain why not.

10. Question 10 asked respondents to indicate if they are currently importing goods or raw materials by responding "No" or "Yes". If yes, respondents were asked to indicate what country(s) they import goods or raw materials from.

11. Question 11 asked respondents to indicate if they are currently exporting goods or raw materials by responding "No" or "Yes". If yes, respondents were asked to indicate what country(s) they export goods or raw materials to.

Questions 12 – 14 were intended to obtain demographic data.

12. Question 12 asked respondents to indicate the type of product or service they currently provide.

13. Question 13 asked respondents to indicate their current market service area.

14. Question 14 asked respondents to indicate if their annual sales are below $1 million per year by responding "No" or "Yes".

The last page of the survey allowed respondents to provide their contact information if they want to receive a copy of the survey results or be contacted by College of the Canyons regarding business training programs involving international trade. Respondents were informed that their company information would be used solely for the purposes of disseminating survey results and other COC training program information as it becomes available. In addition, respondents were informed that their comments would still be kept confidential in all research reports.

Surveys were mailed to **577** industry representatives during the week of January 20, 2003. Of those surveys, **43** were returned, resulting in a response rate of **seven** ***percent***.

Completed questionnaires were coded and tabulated using Remark, SPSS and Excel. Refer to Appendix A for a copy of the questionnaire and Appendix B for a listing of the summary counts and percentages of response frequencies.

Major Findings

Respondents were asked to rate their interest in a program on "Doing Business with China." Figure 1 illustrates the percentage of respondents who rated their interest as "Very Low" or "Low" and those who rated their interest as "Moderate", "Moderately High" or "High".

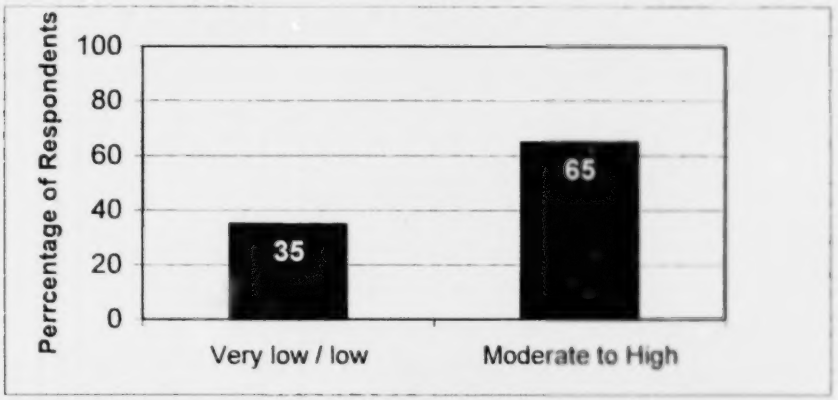

Figure 1. Respondents' interest in a Program on "Doing Business with China"

As shown in Figure 1, **sixty-five *percent*** (28 out of 43) of respondents expressed interest in a program on "Doing Business with China" compared to **35 *percent*** (15 out of 43) who indicated that they are not interested. While caution should be used when interpreting the results given the low response rate, the ***majority*** of those who responded **(65%)** expressed interest in a program on "Doing Business with China".

Figure 2 illustrates the percentage of respondents who indicated the extent of their knowledge of China's History, Culture and Business Climate to either be "Very Low" / "Low" or "Moderate" / "Moderately High" / "High". Overall, approximately half of the respondents indicated the extent of their knowledge of China's *history, culture* and *business climate* to be "moderate" to "high". The extent of the respondents' knowledge of China's history, culture and business climate is very important to take into consideration when designing a program on "Doing Business with China".

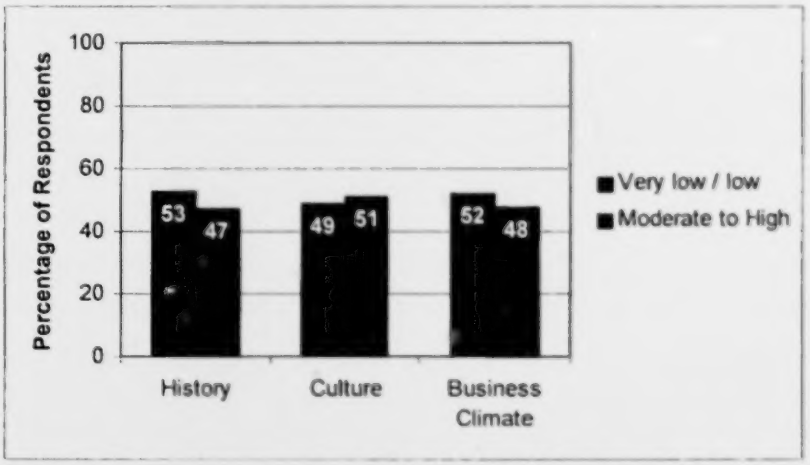

Figure 2. Extent of Respondents' Knowledge of China's History, Culture and Business Climate

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Interest in Expansion into China

The ***majority*** of respondents indicated interest in expanding their product / service into China **(63%)**. Not only did the majority of respondents indicate interest in pursuing a program on "Doing Business with China" **(65%)**, but there also appears to be a significant interest among the industry respondents to expand their product / service into China **(63%)**.

Figure 3. Respondents' Interest in Expansion of Product / Service into China

Interestingly, more than ***half*** of the respondents are currently or have previously done business with China (55%). Of those who responded seven indicated favorable results with their experience by stating their experience as "good", "favorable", "going well" and "okay". Some barriers indicated by respondents included, *competition with local Chinese suppliers regarding prices*, *limited sales to China*, *erratic quality of products* and *issues related to financing* (see Appendix C for detailed comments).

Importing and Exporting Goods or Raw Materials

Fifty-five *percent* of respondents indicated that they are currently importing goods or raw materials from places such as *China*, *Taiwan*, *Europe*, *England*, *Mexico*, *France*, *Belgium*, *Germany*, *Japan*, *Switzerland*, the *Netherlands*, *Canada*, and *South Korea*. **Fifty-nine *percent*** of respondents indicated that they are currently exporting goods or raw materials to places such as:

- Africa
- Asia
- Australia
- Brazil
- Canada
- England
- Europe
- France
- Germany
- Hong Kong
- India
- Indonesia
- Ireland
- Israel
- Italy
- Japan
- Korea
- Kuwait
- Latin America
- Malaysia
- Mexico
- Russia
- Saudi Arabia
- Singapore
- Sweden
- Taiwan

Factors Inhibiting Desire to Expand into China

While the majority of respondents have expressed both an interest in pursuing a program on "Doing Business with China" and expanding their product / service into China, there are some factors that inhibit their desire to expand into China. The top three factors, which inhibit respondents' desires to expand, were *market access* (**40%**), *other factors* (**37%**) and *market uncertainty* (**30%**). The remaining factors were *infrastructure issues* and *distribution issues* (**23%**, each) and *financing issues* (**14%**). *Other factors* inhibiting respondents' desires to expand into China included:

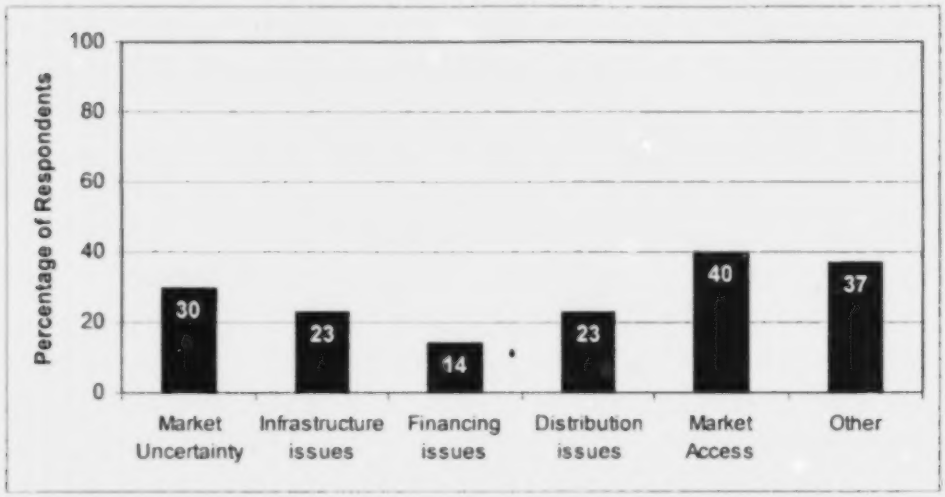

Figure 4. Factors Inhibiting Respondents' Desires to Expand into China

- Extracting profits
- Government restriction concerning defense products
- Growth
- Intellectual property issue
- Language
- Legal landscape
- Pirating of products
- Too small of market

Important Aspects to Learn About China

Respondents were asked to indicate the aspects of "doing business with China" that are most important for them to learn. The top five aspects indicated by respondents included the following:

- Laws / regulations (**61%**)
- Distribution networks (**40%**)
- Market potential (**37%**)
- Marketing channels (**37%**)
- Chinese business infrastructure (**35%**)

Other aspects indicated by respondents included *customs* (**33%**), *how to get started* (**21%**), *workforce* (**19%**), *ports/rail/transportation* (**16%**) and *financing* (**9%**). *Other* aspects stated by respondents as important to learn about China included the following (see Appendix C for detailed responses):

- Language (3 respondents), one specifically indicated an immersion course in Mandarin
- Medical regulatory environment in China
- Ownership of property, land & trademarks
- Sourcing – quality supplies

Industry Clusters and Types of Business Relationships

Respondents were asked to indicate the industry clusters they currently have / or wish to seek opportunities with. As shown in Table 1, the top five industry clusters indicated by respondents were *other* (**33%** - see Appendix C for detailed responses), *Aerospace* (**30%**), *Technology* (**28%**), *BioMed* (**21%**) and *Environmental Technology* (**16%**).

Other (see Appendix C)	**33%**
Aerospace	**30%**
Technology	**28%**
BioMed	**21%**
Environmental Technology	**16%**
Entertainment	**14%**
Education	**9%**
Finance	**2%**

Table 1. Industry Clusters Respondents' Currently Have or Wish to Seek Opportunities With

Other industry clusters most often indicated by respondents that they currently have or wish to seek opportunities with included construction and manufacturing (7 respondents). Please see Appendix C for detailed responses.

Respondents were also asked to indicate the type of business relationship they have or would be seeking with China. The top three types of business relationships respondents indicated they have or would like to seek with China were *Manufacturer* (**49%**), *Distributor* (**37%**) and *Joint-Venture Partner* (**28%**). Only **19** ***percent*** of respondents indicated that they are not interested in doing business with China. For *other* comments indicated by respondents, please see Appendix C.

Manufacturer	**49%**
Distributor	**37%**
Joint-Venture Partner	**28%**
Not interested	**19%**
Agent	**16%**
Other	**14%**
Representative	**12%**

Table 2. Business Relationships Respondents' Currently Have or Wish to Seek with China

Types of Products or Services Provided by Respondents

Although there was a wide range of products and services listed by respondents, some common themes emerged. Some of the products and services listed included, *manufacturing and exporting of parts, providing products or services related to technology, providing medical products or services, machining and assembly, biomed research and research & design in medical devices, musical instruments and parts, electrical components, and products or services related to aerospace*. Please see Appendix C for a detailed list of products or services.

Current Market Service Area and ***Annual Sales***

More than half of those who responded (**55%**) indicated that they provide their product or service worldwide. Only five respondents indicated their market service area to be primarily in the United States. Annual sales for the majority of the respondents are above $1 million (**81%**), while only **19** ***percent*** indicated their sales to be below $1 million annually.

Conclusions

The results of this study indicate that there is an interest in doing business with the Pacific Rim. Most of the respondents are currently or have previously done business with China (**55%**) with most of those respondents having a favorable experience. The majority of respondents indicated that they are interested in pursuing a program on "Doing Business with China" (**65%**). Similarly, the majority of respondents expressed interest in expanding their product or service into China (**63%**). While the majority of respondents expressed interest in expanding their product or service into China, there were factors, which inhibit respondents' desires to expand. The top three factors included *market access* (40%), *other* stated factors (**37%**) and *market uncertainty* (**30%**). The top five most important aspects of "doing with business with China" for respondents to learn were *laws / regulations* (**61%**), *distribution networks* (**40%**), *market potential* (**37%**), *marketing channels* (**37%**) *and Chinese business infrastructure* (**35%**). Respondents also indicated that language is an important aspect to learn when doing business with China (provided in the open-ended section of the question). Language was not a response alternative but is an important aspect to consider including in a program on "Doing Business with China".

The extent of the respondents' knowledge of China's history, culture and business climate was split with half of respondents having a good knowledge base and the other half having a limited knowledge base of each of the aforementioned areas. Most likely those respondents indicating that they have a good knowledge base of China's history, culture and business climate are those who are currently or have previously done business with China. Therefore, designing a program on "Doing Business with China" would need to take into account the different levels of knowledge participants might have on China's history, culture and business climate.

The top five industry clusters that respondents currently have / or wish to seek opportunities with were *other* (**33%** - included clusters such as construction and manufacturing), *Aerospace* (**28%**), *BioMed* (**21%**), *and Environmental Technology* (**16%**). The top three types of business relationships respondents have or would like to seek with China were *Manufacturer* (**49%**), *Distributor* (**37%**), and *Joint-Venture Partner* (**28%**).

Recommendations

The College should consider developing a program designed to prepare local industries for "doing business with China". Of those who responded to the survey, there appears to not only be a need for such a program, but more than half of the respondents are currently or have previously done business with China and are interested in expanding their product or service into China. Results from the survey provide guidance on topics that would be of interest.

Appendix C: *Text of Open-ended Questions*

Open-ended Question 4 (other):

What factors inhibit your desire to expand into China?

Survey #	Response
77	Unproven supply chain as it relates to our business
198	Too small of market
640	They manufacture goods and don't buy what I make
661	Specialized businesses
158	Pirating of Products
554	None
587	None
372	Legal landscape
239	Language
577	Just not interested
310	Intellectual property issue
544	Human rights violations & totalitarian regime
391	Growth
249	Government restriction concerning defense products
305	Extracting profits

Open-ended Question 5 (other):

Please indicate which industry cluster(s) you currently have / or wish to seek opportunities with.

Survey #	Response
481	Water treatment
412	Semi conductors
391	Plumbing
430	Plastic materials
561	Pet products
235	Musical instrument manufacturing & distribution
396	Manufacturing Metal products
77	Manufacturing
593	Manufacturing
587	Lifestyle
544	Health & beauty aids and personal care
514	Food
249	Defense
254	Contract manufacturing
302	Construction & building products
282	Construction
372	Basic industry-bonding materials

Open-ended Question 6 (other):

What type of business relationship do you have, or would you be seeking with China?

Survey #	Response
547	We have two factories there.
587	We have a factory in Tienjin China.
575	Testing service.
282	Sales.
198	Research partner.
430	Own Plant.
129	Environ - Health & Safety consulting
242	Client.

Open-ended Question 8:

Please tell us if there are any other aspects you would like more information on regarding doing business with China.

Survey #	Response
310	Sourcing - quality supplies.
614	See # 7
372	Ownership of property land & trademarks.
562	Not interested at this time.
544	None.
198	N/A
242	Medical regulatory environment in China.
282	Language program.
396	Language.
77	Besides Berlitz--an immersion course in Mandarin for our technical folks. Low cost is the goal.

Open-ended Question 9:

Are you currently or have you previously done business with China? If yes, what were the results; If no, why not.

Survey #	Response
158	We purchase components from China through local representatives.
547	We have factories there
235	We have begun manufacturing in China and are building a new facility to open in May 2003.
203	We have a distributor in Taiwan. They are not very active.
514	They want us to finance.
396	Taiwan - not China. Currently buy product to sell in North America
575	ok
544	Not interested in doing business with a country that has slaughtered jillions of its own people.
587	New manufacturing facility in Tienjin only 8 months old--too soon to tell.
310	Minor procurement - some risk
640	Level of quality is too erratic. Most importantly they are taking away American jobs.
175	Have limited sales to China
427	Have an office manned by reps who have vast experience with aerospace fasteners.
282	Good
412	Good
391	Good
554	Good
372	Favorable
593	Currently manufacturing low-end percussion instruments. Going well.
430	Business growth has slowed down considerably in last 2 yrs & we are meeting increasing competition price-wise from local Chinese suppliers.
77	1-Through a manufacturing partner in Taiwan- Good results. 2-Directly through a carbon fiber manufacturer - good results. Language barrier a major issue

Open-ended Question 10:

Are you currently importing goods or raw materials? If yes, from which country(s)?

Survey #	Response
593	Taiwan, China, Mexico, Germany and South Korea.
391	Taiwan, China, Canada and The Netherlands.
235	Taiwan and China.
396	Taiwan
77	Taiwan
175	Switzerland
242	Switzerland
562	Japan (R&D)
310	Japan, The Netherlands, Poland, China and the UK.
430	Japan and Europe
198	Japan
280	Great Britain, China and Japan Switzerland.
514	France, Belgium, German and New Zealand.
412	China and others.
587	China, Taiwan and Mexico.
547	China and Taiwan.
372	China and Taiwan.
158	China and England.
561	China

Open-ended Question 11:

Are you currently importing goods or raw materials? If yes, from which country(s)?

Survey #	Response
544	Western Europe
593	Too many to list!
391	Saudi Arabia, China, Russia, Taiwan, South America, Africa and Europe.
562	R&D
587	Over 100 Countries - easier to list where we do NOT export.
547	Mexico and Sweden
372	Many
661	Japan
310	Indonesia ??? UK, Malaysia, Japan and Korea
641	Hong Kong, Europe, Spain, Latin America and Russia
77	Global distribution of finished goods.
514	Germany, Japan and Australia
175	Germany, France, England, Italy, Mexico, Brazil, Australia, Saudi Arabia, Israel, Ireland, Canada, Russia, India and South Africa
412	Europe, Korea, Israel

Open-ended Question 11 (continued):

Are you currently importing goods or raw materials? If yes, from which country(s)?

Survey #	Response
308	England
430	China, Taiwan, Europe
282	China & most of Asia
640	Australia,
235	All over Asia
203	All of Europe, Canada, Australia, Northern Africa, Middle East, Kuwait and Singapore
427	All

Open-ended Question 12:

What type of product or service do you currently provide?

Survey #	Response
158	TV Lifts
372	Turn key manufacturing for bonding material products
575	Testing service
430	Specialty plastic molding materials
282	Specialty chemical
154	Signs
242	R&D in medical devices
427	Quick release fasteners and latching systems
641	Product steriolithography machines and materials
254	Precision machining and assembly - mostly aerospace
561	Pet doors & Aerospace
544	Personal care
593	Percussion instruments and accessories.
235	Musical instruments and sub-components.
587	Musical instruments - percussion products
391	Molds equipment supplies jetting systems for bath tubs
308	Metal Stampings
562	Medical Implants
203	Medical device - Invitro diagnostic reagents controls used to test drugs metals homocystein--Forensic Clinical & Industrial toxicology
305	Manufacture & sell plastic fittings
239	Machined metal parts and minor assemblies
396	Fastever
661	Export of parts & components --electronics mechanical etc--to Japan for military & commercial purposes with authorization to export by the US Government
302	Equipment molds for bathroom fixtures
129	Environment, Health & Safety Regulatory compliance consulting

Open-ended Question 13 (continued):

What type of product or service do you currently provide?

Survey #	Response
580	Engineering, Land planning & surveying
175	Electro-mechanical switches, Motor actuators, Motor 0__nard valves, Linear actuator Solenoid valves
640	Electrical wire and cable
412	Electric linear motors
310	Design & manufacture ??? & air purification products.
577	Complex machining and assemblies
554	Cleaning Equipment for semiconductor and fiber optic industries
514	Chocolates for Desserts - VIP amenities & gifts
156	Carbon & graphite products
614	Cables Connectors Computer accessories
198	Biomedical Research
77	Bicycle component manufacturer

Open-ended Question 14:

What is your current market service area?

Survey #	Response
587	Worldwide.
158	Worldwide - Primarily US, Canada & Mexico
427	Worldwide
614	Worldwide
305	World wide not much in China or Russia
641	World wide
554	Whole world
235	We supply our products all over the world.
203	We sell directly to laboratories & hospitals in the US. We use distributors around the world outside the US.
156	USA & Europe
254	USA
308	USA
391	US & International markets
544	US, Canada and Western Europe
239	US
577	US
593	The world.
580	Southern California
154	Santa Clarita Valley
562	Planet Earth

Open-ended Question 14 (continued):

What is your current market service area?

Survey #	Response
282	Northeast Central Southern & Central Western
396	North America and Europe
561	National
412	N/A
198	N/A
175	Most of the world
575	International
302	International
514	International
372	Global
430	Global
310	Global
77	Global
640	Everywhere
129	California primarily
661	Aerospace, Defense, Test Equipment

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Appendix A: ***Survey Instrument***

College of the Canyons

Needs Assessment Survey: Doing Business with China

College of the Canyons is collecting information on the interest and need for and development of business training programs involving international trade. We are particularly interested in your need for training on "Doing Business with China" or more generally, "Doing Business in the Pacific Rim".

Please use dark ink or dark pencil to fill in the answer bubbles. Thank you.

For questions 1-3, please rate your interest and / or extent of your knowledge regarding "Doing Business with China".

	Very Low	Low	Moderate	Moderately High	High
1. Please rate your interest in a program on "Doing Business with China".	O	O	O	O	O
2. Please rate the extent of your knowledge of:					
A. China's history.	O	O	O	O	O
B. China's culture.	O	O	O	O	O
C. China's business climate.	O	O	O	O	O
3. Please rate your interest in expansion of your product / service into China.	O	O	O	O	O

4. What factors inhibit your desire to expand into China? (Mark all that apply.)

- O Market uncertainty
- O Infrastructure issues
- O Financing issues
- O Distribution issues
- O Market access
- O Other _____

5. Please indicate which industry cluster(s) you currently have/ or wish to seek opportunities with? (Mark all that apply.)

- O Aerospace
- O BioMed
- O Education
- O Entertainment
- O Environmental Technology
- O Finance
- O Technology
- O Other _____

6. What type of business relationship do you have, or would you be seeking with China? (Mark all that apply.)

- O Manufacturer
- O Distributor
- O Agent
- O Representative
- O Joint-Venture Partner
- O Other _____
- O Not interested in doing business with China.

7. What aspect(s) of "doing business with China" is or are most important for you to learn about China? (Mark all that apply.)

- O Laws/regulations
- O Market potential
- O Customs
- O Financing
- O How to get started
- O Chinese business infrastructure
  - O Distribution networks
  - O Marketing channels
  - O Workforce
  - O Ports/rail/transportation

8. Please tell us if there are any other aspects you would like more information on regarding doing business with China.

9. Are you currently or have you previously done business with China? If Yes, What were the results; If No-Why not. O Yes O No

10. Are you currently importing goods or raw materials? O Yes O No
If yes, from which country(s)?

11. Are you currently exporting goods or raw materials? O Yes O No
If yes, to which country(s)?

The following questions are for the purpose of obtaining demographic data.

12. What type of product or service do you currently provide?

13. What is your current market service area?

14. Are your annual sales below $1 million per year? O Yes O No

College of the Canyons

Needs Assessment Survey: Doing Business with China

A Note To The Participant:

The purpose of this survey is to collect information on the interest and need for and development of business training programs involving international trade. College of the Canyons is particularly interested in the business community's need for training on "Doing Business with China" or more generally, "Doing Business in the Pacific Rim".

If you would like to receive a copy of the survey results or be contacted by us regarding business training programs involving international trade, please provide your company information below. Your company information will solely be used for the purposes of disseminating survey results and other COC training program information as it becomes available. Your comments will still be kept confidential in all research reports.

Contact Information (Optional):

Name of Company	
Attention	
Address	
Street Address or P.O. Box	
City, Zip	
Phone number	
Email Address:	

Thank you for your participation in this important survey.

If you have any questions regarding the survey, please contact
Dena Maloney, Dean of Economic Development at
(661) 362-3305

Appendix B: ***Response Frequencies - Summary of Counts***

College of the Canyons
Needs Assessment Survey: Doing Business with China

College of the Canyons is collecting information on the interest and need for and development of business training programs involving international trade. We are particularly interested in your need for training on "Doing Business with China" or more generally, "Doing Business in the Pacific Rim".

Please use dark ink or dark pencil to fill in the answer bubbles. Thank you.

For questions 1-3, please rate your interest and / or extent of your knowledge regarding "Doing Business with China".

	Very Low	Low	Moderate	Moderately High	High
1. Please rate your interest in a program on "Doing Business with China".	8	7	10	7	11
2. Please rate the extent of your knowledge of:					
A. China's history.	9	14	13	7	0
B. China's culture.	7	14	15	7	0
C. China's business climate.	7	15	11	8	1
3. Please rate your interest in expansion of your product / service into China.	8	7	9	3	13

4. What factors inhibit your desire to expand into China? (Mark all that apply.)

13	Market uncertainty
10	Infrastructure issues
6	Financing issues
10	Distribution issues
17	Market access
16	Other See Appendix C

5. Please indicate which industry cluster(s) you currently have/ or wish to seek opportunities with? (Mark all that apply.)

13	Aerospace
9	BioMed
4	Education
6	Entertainment
7	Environmental Technology
1	Finance
12	Technology
14	Other See Appendix C

6. What type of business relationship do you have, or would you be seeking with China? (Mark all that apply.)

21	Manufacturer
16	Distributor
7	Agent
5	Representative
12	Joint-Venture Partner
6	Other See Appendix C
8	Not interested in doing business with China.

7. What aspect(s) of "doing business with China" is or are most important for you to learn about China? (Mark all that apply.)

26	Laws/regulations	**15**	Chinese business infrastructure
16	Market potential	**17**	Distribution networks
14	Customs	**16**	Marketing channels
4	Financing	**8**	Workforce
9	How to get started	**7**	Ports/rail/transportation

8. Please tell us if there are any other aspects you would like more information on regarding doing business with China.

See Appendix C for detailed responses.

9. Are you currently or have you previously done business with China? **19** Yes **19** No
If Yes, What were the results; If No-Why not:

See Appendix C for detailed responses.

10. Are you currently importing goods or raw materials? **21** Yes **17** No
If yes, from which country(s)?

See Appendix C for detailed responses.

11. Are you currently exporting goods or raw materials? **23** Yes **16** No
If yes, to which country(s)?

See Appendix C for detailed responses.

The following questions are for the purpose of obtaining demographic data.

12. What type of product or service do you currently provide?

See Appendix C for detailed responses.

13. What is your current market service area?

See Appendix C for detailed responses.

14. Are your annual sales below $1 million per year? **7** Yes **30** No

Appendix B: ***Response Frequencies - Summary of Percentages***

College of the Canyons
Needs Assessment Survey: Doing Business with China

College of the Canyons is collecting information on the interest and need for and development of business training programs involving international trade. We are particularly interested in your need for training on "Doing Business with China" or more generally, "Doing Business in the Pacific Rim".

Please use dark ink or dark pencil to fill in the answer bubbles. Thank you.

For questions 1-3, please rate your interest and / or extent of your knowledge regarding "Doing Business with China".

	Very Low	Low	Moderate	Moderately High	High
1. Please rate your interest in a program on "Doing Business with China".	19%	16%	23%	16%	26%
2. Please rate the extent of your knowledge of:					
A. China's history.	21%	33%	30%	16%	0%
B. China's culture.	16%	33%	35%	16%	0%
C. China's business climate.	17%	36%	26%	19%	2%
3. Please rate your interest in expansion of your product / service into China.	20%	17%	22%	7%	32%

4. What factors inhibit your desire to expand into China? (Mark all that apply.)

- 30% Market uncertainty
- 23% Infrastructure issues
- 14% Financing issues
- 23% Distribution issues
- 39% Market access
- 37% Other See Appendix C

5. Please indicate which industry cluster(s) you currently have/ or wish to seek opportunities with? (Mark all that apply.)

- 30% Aerospace
- 21% BioMed
- 9% Education
- 14% Entertainment
- 16% Environmental Technology
- 2% Finance
- 28% Technology
- 33% Other See Appendix C

6. What type of business relationship do you have, or would you be seeking with China? (Mark all that apply.)

- 49% Manufacturer
- 37% Distributor
- 16% Agent
- 12% Representative
- 28% Joint-Venture Partner
- 14% Other See Appendix C
- 19% Not interested in doing business with China.

7. What aspect(s) of "doing business with China" is or are most important for you to learn about China? (Mark all that apply.)

60%	Laws/regulations	**35%**	Chinese business infrastructure
37%	Market potential	**39%**	Distribution networks
33%	Customs	**37%**	Marketing channels
9%	Financing	**19%**	Workforce
21%	How to get started	**16%**	Ports/rail/transportation

8. Please tell us if there are any other aspects you would like more information on regarding doing business with China.

See Appendix C for detailed comments.

9. Are you currently or have you previously done business with China? If Yes, What were the results; If No-Why not: **50%** Yes **50%** No

See Appendix C for detailed comments.

10. Are you currently importing goods or raw materials? **55%** Yes **45%** No
If yes, from which country(s)?

See Appendix C for detailed comments.

11. Are you currently exporting goods or raw materials? **59%** Yes **41%** No
If yes, to which country(s)?

See Appendix C for detailed comments.

The following questions are for the purpose of obtaining demographic data.

12. What type of product or service do you currently provide?

See Appendix C for detailed comments.

14. What is your current market service area?

See Appendix C for detailed comments.

14. Are your annual sales below $1 million per year? **19%** Yes **81%** No

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